

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 396 – SB 508

February 23, 2010

**SUMMARY OF AMENDMENT (014406):** Deletes all language after the enacting clause and requires the Department of Health to develop a plan to establish a statewide colorectal cancer screening awareness, prevention, early detection, and treatment program to ensure colorectal screenings for uninsured or underinsured individuals. The plan shall be presented with any legislative and budgetary recommendations to the House Health and Human Resources Committee and the Senate General Welfare, Health and Human Resources Committee by February 1, 2011. Requires health insurance policies delivered, issued, amended, or renewed on or after January 1, 2011, to provide coverage for colorectal screening tests.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – \$89,200/One-Time  
\$3,702,200/Recurring  
\$1,700/Each One-Day Meeting

Increase Local Expenditures – Not Significant

Potential Impact on Health Insurance Premiums (required by Tenn. Code Ann. § 3-2-111): Such legislation would not result in a significant increase in the cost of health insurance premiums for plans that do not cover colon cancer screenings.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures – Not Significant

Increase Local Expenditures – Not Significant

Potential Impact on Health Insurance Premiums (required by Tenn. Code Ann. § 3-2-111): Such legislation would not result in a significant increase in the cost of health insurance premiums for plans that do not cover colon cancer screenings.

Assumptions applied to amendment:

- The fiscal impact assumes that implementation of the plan developed by the proposed legislation will require further legislative action. There is no fiscal impact for the implementation of the plan included within this fiscal impact.
- According to the Department of Health, existing program staff will expand ongoing efforts to develop the plan. Any cost can be accommodated within existing resources without an increased appropriation or reduced reversion.
- The Department of Commerce and Insurance will not incur a significant increase in expenditures to regulate the mandated coverage. Any cost can be accommodated within existing resources without an increased appropriation or reduced reversion.
- According to the Department of Finance and Administration, the mandate will not apply to the State Employee, Local Government, and Local Education Health Plans.
- The Cover Tennessee and TennCare programs offer coverage for colorectal cancer screenings as appropriate under standards of medical necessity.
- Any local government that does not opt into the state employee health plan may incur an increase in expenditures if colorectal cancer screenings are not a covered benefit. Any increase is estimated to be not significant.

## **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly distinguishable.

James W. White, Executive Director

/kml